

**CITY OF BISMARCK**  
**DEFERRED SICK LEAVE ACCOUNT**  
**State Investment Board**  
**Balance Sheet**  
**As of 10/31/2008**

	As of <u>10-31-08</u>	As of <u>6-30-08</u>
<b>ASSETS:</b>		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 119,100	\$ 151,093
INTERNATIONAL EQUITIES	52,958	74,570
DOMESTIC FIXED INCOME	467,735	533,063
INVESTED CASH (NOTE 1)	<u>39,180</u>	<u>41,024</u>
 TOTAL INVESTMENTS	 678,973	 799,750
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	<u>1,359</u>	<u>988</u>
 TOTAL RECEIVABLES	 1,359	 988
 OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	23,362	29,659
 TOTAL ASSETS	 <u>\$ 703,694</u>	 <u>\$ 830,397</u>
 <b>LIABILITIES:</b>		
SECURITIES LENDING COLLATERAL (NOTE 2)	23,362	29,659
INVESTMENT EXPENSE PAYABLE	<u>1,602</u>	<u>1,596</u>
 TOTAL LIABILITIES	 24,964	 31,255
 <b>NET ASSETS AVAILABLE:</b>		
NET ASSETS AVAILABLE BEGIN OF YEAR	799,142	826,225
CASH IN DURING YEAR (NOTE 3)	0	0
CASH OUT DURING YEAR (NOTE 4)	0	0
NET INCREASE (DECREASE)	<u>(120,412)</u>	<u>(27,083)</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>678,730</u>	 <u>799,142</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 703,694</u>	 <u>\$ 830,397</u>

**CITY OF BISMARCK**  
**DEFERRED SICK LEAVE ACCOUNT**  
**State Investment Board**  
**Profit and Loss Statement**  
**For the Month Ended 10/31/2008**

	Month Ended <u>10-31-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 2,558	\$ 11,241
SECURITIES LENDING INCOME	<u>65</u>	<u>279</u>
	2,623	11,520
 GAIN ON SALE OF INVESTMENTS	 19,466	 59,235
LOSS ON SALE OF INVESTMENTS	<u>31,365</u>	<u>74,368</u>
 NET GAINS (LOSSES) INVESTMENTS	 (11,899)	 (15,133)
 INVESTMENT EXPENSES	 6	 1,604
SECURITIES LENDING EXPENSES	36	198
 NET INVESTMENT INCOME	 (9,318)	 (5,415)
 NET APPREC (DEPREC) MARKET VALUE	 (59,610)	 (115,156)
MISCELLANEOUS INCOME/(EXPENSE)	<u>(6)</u>	<u>159</u>
 TOTAL INVESTMENT INCOME	 <u>(68,934)</u>	 <u>(120,412)</u>
 NET INCREASE (DECREASE)	 <u><u>\$ (68,934)</u></u>	 <u><u>\$ (120,412)</u></u>

**CITY OF BISMARCK**  
**DEFERRED SICK LEAVE ACCOUNT**  
**Notes To Financial Statements**  
**October 31, 2008**

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

**NOTE 1**    **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

**NOTE 2**    **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

**NOTE 3**    **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

**NOTE 4**    **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.